

# HARGROVE, PESNELL & WYATT

(A PROFESSIONAL LAW CORPORATION)

AMERICAN TOWER, SUITE 600

401 MARKET STREET

SHREVEPORT, LOUISIANA 71101-3239

August 17, 2001

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS

POST OFFICE BOX 59

SHREVEPORT, LOUISIANA 71161-0059

TELEPHONE (318) 429-7200

TELECOPIER (318) 429-7201

E-mail: hpwlaw@prysm.net

BILLY R. PESNELL  
JOSEPH L. HARGROVE, JR.  
DAVID L. SMELLEY  
PAUL A. STRICKLAND  
SCOTT C. SINCLAIR  
W. BROOKS MAY

Honorable Philip N. Asprodites  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Cotton Valley Formation, Reservoir A, SIBLEY  
FIELD, Webster Parish, Louisiana.

Dear Sir:

NELSON ENERGY, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, in the Sibley Field, Webster Parish, Louisiana:

1. To authorize Applicant to drill, designate and utilize its Seegers No. 1 Well as an alternate unit well for CV RA SUD, at the location shown on the attached plat, in exception to the well location provisions of Office of Conservation Order No. 148-K, effective August 19, 1997.
2. To find that an alternate unit well for CV RA SUD is necessary to efficiently and economically drain a portion of the Cotton Valley Formation, Reservoir A, underlying CV RA SUD which cannot be efficiently and economically drained by any existing well on such unit.
3. To establish the unit allowable for CV RA SUD, and for all other units created for the Cotton Valley Formation, Reservoir A, in the Sibley Field under the Office of Conservation Order No. 148-K series of Orders, at a rate equal to the combined rate at which the unit well and alternate unit well or wells (whether one or more) located on each such unit are capable of efficiently producing.
4. To continue in full force and effect the provisions of the Office of Conservation Order No. 148-K series of Orders, except to the extent contrary herewith.
5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Cotton Valley Formation, Reservoir A, in the Sibley Field, Webster Parish, Louisiana, was fully defined in Office of Conservation Order No. 148-K, effective August 19, 1997.

Honorable Philip N. Asprodites  
August 17, 2001  
Page 2

Pertinent data concerning this application is available for inspection at the offices of Nelson Energy, Inc., 401 Edwards Street, Suite 1500, Shreveport, Louisiana 71101-3140. Any person desiring to inspect such data should call Mr. Danny Moreland at (318) 226-0700 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

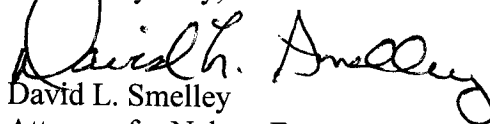
As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of the attached plat, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Sibley Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed is a check payable to the Commissioner of Conservation for the application fee.

Yours very truly,

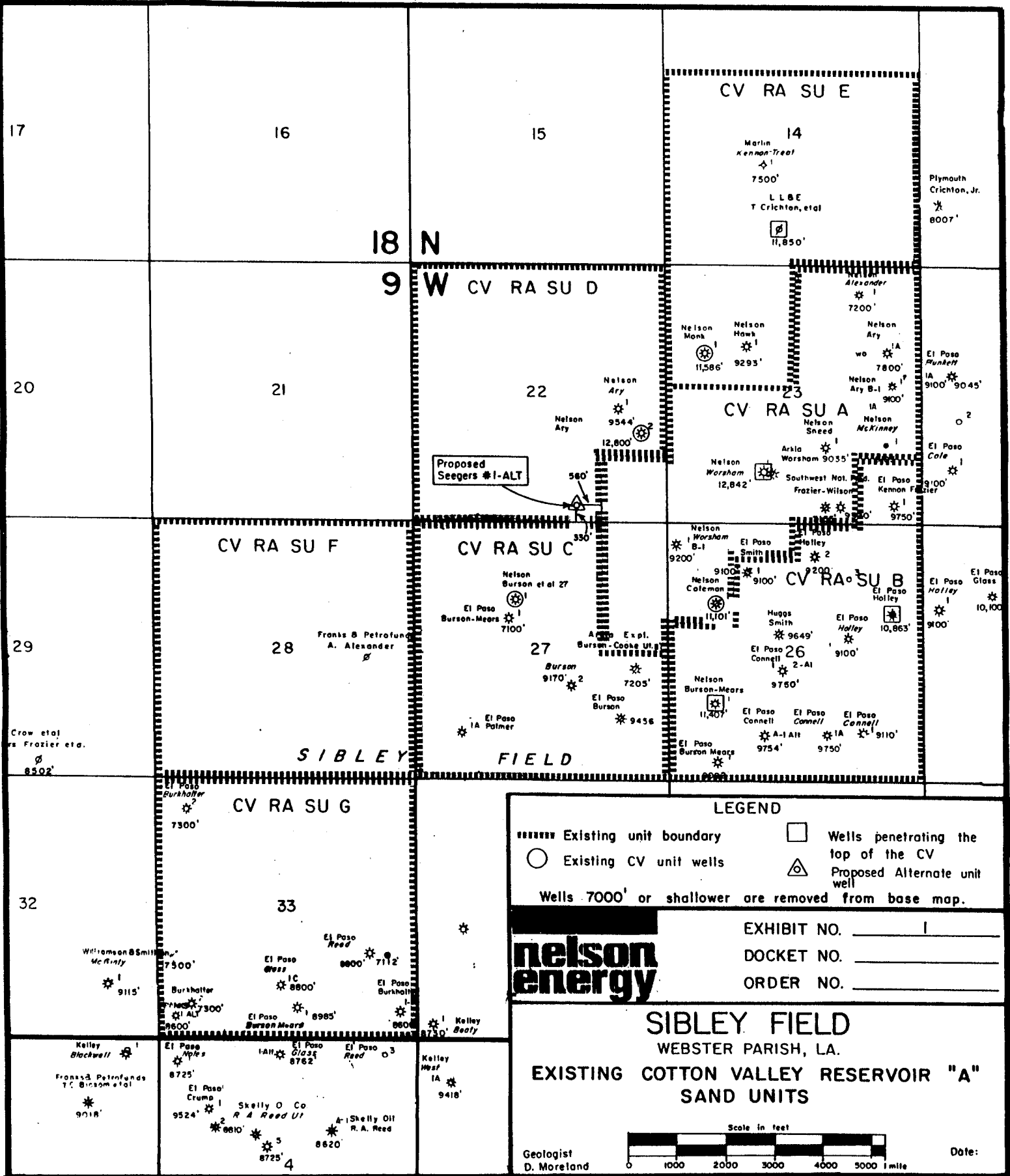
  
David L. Smelley  
Attorney for Nelson Energy, Inc.

--

DLS:dp

Enclosures

cc: Mr. Jim Broussard (w/encls.)  
Mr. Danny Moreland (w/encls.)  
Interested Owners, Represented  
Parties and Interested Parties (w/plat only)



**LEGEND**

Existing unit boundary	Wells penetrating the top of the CV
Existing CV unit wells	Proposed Alternate unit well
Wells 7000' or shallower are removed from base map.	

**nelson energy**

EXHIBIT NO. 1

DOCKET NO. \_\_\_\_\_

ORDER NO. \_\_\_\_\_

**SIBLEY FIELD**  
WEBSTER PARISH, LA.  
**EXISTING COTTON VALLEY RESERVOIR "A"**  
**SAND UNITS**

Geologist  
D. Moreland

Scale in feet

Date: \_\_\_\_\_